



# CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Adopt a resolution authorizing the City Manager to allocate Public Benefit Program funds to create the House-As-A-System Inspection Program, and to execute a contract with the Energy Doctor, Incorporated to provide the physical inspections involved with this new residential program (\$90,000)

**MEETING DATE:** July 16, 2003

**PREPARED BY:** Electric Utility Director

**RECOMMENDED ACTION:** That the City Council adopt a resolution authorizing the City Manager to allocate Public Benefit Program funds to create the House-As-A-System Inspection Program, and to execute a contract with the Energy Doctor, Incorporated to provide the physical inspections involved with this new residential program.

**BACKGROUND INFORMATION:** In this proposed new residential program, eligible customers will receive a state-of-the-art home inspection. Specifically, this program will serve as an educational, training and inspection program for residential customers interested in retrofitting their home's mechanical system (heating/cooling), air delivery system, insulation, and/or windows. As part of the physical inspection, the trained staff from the Energy Doctor will utilize sophisticated computer diagnostic equipment to assess the effectiveness of a home's heating, cooling and ventilation system (*City of Lodi Electric Utility representatives have viewed the new technology and equipment in use inside a Lodi home*), and provide a physical inspection of attic insulation and windows.

The program will involve the following steps:

- 1) interested residential customers will contact the City of Lodi Electric Utility for program participation (an eligible residential customer must be a City of Lodi Electric Utility customer, and reside in either a single-family dwelling or duplex/triplex);
- 2) once enrolled in the program, the Energy Doctor, Incorporated will schedule a convenient time to provide the free, detailed inspection (the total inspection process is approximately 2.5 hours);
- 3) upon completion of the inspection (which includes the computer diagnostics check of the heating/cooling/air delivery system, and physical inspection of the attic insulation and windows), the customer will be provided with a detailed report that outlines findings, as well as recommended improvements;
- 4) if improvements are identified and recommended, residential customers will then have the opportunity to participate in a separate rebate program coordinated by the City of Lodi Electric Utility.

*Note: Over the past few years, the Energy Doctor has provided inspections as part of the Lodi Air Duct Testing Program. In developing the proposed House-As-A-System Program, it was determined that the Energy Doctor, Incorporated was the most appropriate vendor to conduct the program, due to the organizations unique and qualified experience, working knowledge of the aforementioned computer diagnostic equipment, and the Energy Doctor's knowledge of the Lodi community, and experience with the City of Lodi Electric Utility programs. For these reasons, the City of Lodi Electric Utility respectfully requests that the Lodi City Council dispense with going out to bid pursuant to Lodi Municipal Code 3.20.070.*

**APPROVED:**

  
H. Dixon Flynn - City Manager



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Due to the unique nature of the House-As-A-System Inspection Program, this would be the first such home inspection program in California. If approved by the City Council, approximately 275 Lodi residential customers could participate in the new program, which would begin September 1, 2003, and come to a close on June 30, 2004.

The City of Lodi Electric Utility staff respectfully recommends approval of the House-As-A-System Inspection Program as a qualifying energy efficient element for residential energy users.

**FUNDING:** Public Benefits Fund- 164605 (Demand-side Management)

*Ruby R. Paiste for*  
Vicky McAthie  
Finance Director

*Alan N. Vallow*  
Alan N. Vallow  
Electric Utility Director

**PREPARED BY: Rob Lechner, Manager of Customer Service & Programs, EUD**  
ANV/RL/mdw

C: City Attorney  
Finance Director

**APPROVED:** \_\_\_\_\_  
H. Dixon Flynn - City Manager

RESOLUTION NO. 2003-134

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING  
THE CITY MANAGER TO ALLOCATE PUBLIC BENEFITS  
PROGRAM FUNDS TO CREATE THE HOUSE-AS-A-SYSTEM  
INSPECTION PROGRAM, AND TO EXECUTE A CONTRACT  
WITH THE ENERGY DOCTOR, INC.

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WHEREAS, the state has mandated that beginning January 1, 1998, the City of Lodi is obligated to fund various programs through a Public Benefits Charge (PBC) based on an historical electric revenue requirement; and

WHEREAS, the requirement amounts to approximately \$1 million per year that must be dedicated to qualifying programs such as energy efficiency. A further stipulation is that these efforts must be done on the customer's side of the meter in order to qualify; and

WHEREAS, the City of Lodi's Public Benefits Program is comprised of four segments or customer groups: commercial/industrial, residential, community/non-profit, and municipal; and

WHEREAS, this request for a Public Benefits grant in the amount of \$90,000.00 is specifically designed to create a new residential program called the House-As-A-System Inspection Program, wherein eligible customers will receive a state-of-the-art home inspection. Specifically, this program will serve as an educational, training, and inspection program for residential customers interested in retrofitting their home's mechanical system (heating/cooling), air delivery system, insulation, and/or windows utilizing the trained staff from the Energy Doctor, Inc.

The program will involve the following steps:

- 1) Interested residential customers will contact the City of Lodi Electric Utility for program participation (an eligible residential customer must be a City of Lodi Electric Utility customer and reside in either a single-family dwelling or duplex/triplex);
- 2) Once enrolled in the program, the Energy Doctor, Inc. will schedule a convenient time to provide the free, detailed inspection (the total inspection process is approximately 2.5 hours);
- 3) Upon completion of the inspection (which includes the computer diagnostics check of the heating/cooling/air delivery system and physical inspection of the attic insulation and windows), the customer will be provided with a detailed report that outlines findings, as well as recommended improvements;
- 4) If improvements are identified and recommended, residential customers will then have the opportunity to participate in a separate rebate program coordinated by the City of Lodi Electric Utility.

WHEREAS, staff recommends approval of the House-As-A-System Inspection Program as a qualifying component of the City of Lodi Public Benefits Program.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to provide a Public Benefits Program grant in the amount of \$90,000.00 to fund the House-As-A-System Inspection Program; and

BE IT FURTHER RESOLVED that the program will begin September 1, 2003, and end on June 30, 2004.

Dated: July 16, 2003

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I hereby certify that Resolution No. 2003-134 was passed and adopted by the Lodi City Council in a regular meeting held July 16, 2003, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Howard, and Land

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Mayor Hitchcock

ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON  
City Clerk